

VZCZCXRO0316
PP RUEHFK RUEHKSO RUEHNAG RUEHNH
DE RUEHKO #0236/01 0330118
ZNR UUUUU ZZH
P 020118Z FEB 09
FM AMEMBASSY TOKYO
TO RUEHC/SECSTATE WASHDC PRIORITY 0454
INFO RUEKJCS/SECDEF WASHDC PRIORITY
RHEHAAA/THE WHITE HOUSE WASHINGTON DC PRIORITY
RUEAWJA/USDOJ WASHDC PRIORITY
RULSDMK/USDOT WASHDC PRIORITY
RUCPDOG/USDOC WASHDC PRIORITY
RUEAIIA/CIA WASHDC PRIORITY
RUEKJCS/JOINT STAFF WASHDC//J5//
RHHMUNA/HQ USPACOM HONOLULU HI
RHHMHBA/COMPACFLT PEARL HARBOR HI
RHMFIUU/HQ PACAF HICKAM AFB HI//CC/PA//
RHMFIUU/USFJ //J5/JO21//
RUYNAAAC/COMNAVFORJAPAN YOKOSUKA JA
RUAYJAA/CTF 72
RUEHNH/AMCONSUL NAHA 4541
RUEHFK/AMCONSUL FUKUOKA 2193
RUEHOK/AMCONSUL OSAKA KOBE 5981
RUEHNAG/AMCONSUL NAGOYA 0062
RUEHKSO/AMCONSUL SAPPORO 2752
RUEHBJ/AMEMBASSY BEIJING 7507
RUEHUL/AMEMBASSY SEOUL 3539
RUCNDT/USMISSION USUN NEW YORK 3533

UNCLAS SECTION 01 OF 10 TOKYO 000236

SIPDIS

DEPT FOR E, P, EB, EAP/J, EAP/P, EAP/PD, PA;
WHITE HOUSE/NSC/NEC; JUSTICE FOR STU CHEMTOB IN ANTI-TRUST DIVISION;
TREASURY/OASIA/IMI/JAPAN; DEPT PASS USTR/PUBLIC AFFAIRS OFFICE;
SECDEF FOR JCS-J-5/JAPAN,
DASD/ISA/EAPR/JAPAN; DEPT PASS ELECTRONICALLY TO USDA
FAS/ITP FOR SCHROETER; PACOM HONOLULU FOR PUBLIC DIPLOMACY ADVISOR;
CINCPAC FLT/PA/ COMNAVFORJAPAN/PA.

E.O. 12958: N/A

TAGS: [OIIP](#) [KMDR](#) [KPAO](#) [PGOV](#) [PINR](#) [ECON](#) [ELAB](#) [JA](#)

SUBJECT: JAPANESE MORNING PRESS HIGHLIGHTS 2/02/09

Index:

U.S.-Japan ties:

- 1) Secretary of State Clinton to visit Japan in mid-February (Asahi)
- 2) Japan plans to sponsor aid conference for Pakistan to provide it with several billion dollars in assistance, will sound out Secretary Clinton to attend (Nikkei)
- 3) President Obama to lift new strategic dialogue with China to same level Japan enjoys (Yomiuri)

Davos Conference:

- 4) Prime Minister Aso pledges 1.5 trillion yen in aid for Asian countries, promises mid-term emissions reduction target by June (Yomiuri)
- 5) Japan cautious about stance at Davos Conference about moving from a G-8 to a G-20 format in addressing global issues (Yomiuri)
- 6) WTO ministerial-level conference: Criticism erupts about U.S.' new "Buy American" stance as trade protectionism (Asahi)
- 7) Japan speeding up negotiations to sign nuclear cooperation agreements with South Korea and other countries (Nikkei)

Defense and security affairs:

- 8) Foreign Minister Nakasone tells Okinawa Governor Nakaima that Japan plans to sign agreement with the U.S. forces on relocating Okinawa Marines to Guam (Tokyo Shimbun)
- 9) Defense Ministry is studying concept of unified operation of all three self-defense forces in carrying out anti-piracy mission in waters off Somalia (Sankei)
- 10) Ruling camp's project team to draft anti-piracy bill agrees to

allow shooting at pirates attacking ships (Asahi)
11) Tokyo to propose civilian air terminal be built outside Yokota
(Mainichi)

Political agenda:

12) Democratic Party of Japan (DPJ) President Ozawa sees Diet
dissolution coming in March, preparing hurriedly for Lower House
election (Nikkei)
13) Liberal Democratic Party (LDP) Secretary General Hosoda expect
Diet dissolution to follow the spring passage of the budget (Tokyo
Shimbun)

Articles:

1) Secretary of State Clinton to visit Japan in mid-February

ASAHI (Page 1) (Full)
February 2, 2009

Kei Ukai, Washington

A U.S. government official revealed on Jan. 31 that Secretary of
State Hillary Clinton will visit Japan for the first time since
assuming her position. The visit will probably take place in the
middle of February. Clinton may visit China and South Korea
afterward. By choosing Japan as her first overseas stop, the
administration of President Barack Obama aims to show its stance of
placing importance on the U.S. alliance with Japan.

The Japanese government was initially concerned that the Obama

TOKYO 00000236 002 OF 010

administration would give more weight to China. If Japan is chosen
as the country for the Secretary's first official foreign visit, the
Japanese government would be able to erase such concern.

As the schedule for Clinton's Asia trip has yet to be finalized,
there still could be a change in plan. If her Japan visit is
realized, the Secretary and her counterpart would reaffirm the
importance of the bilateral alliance and discuss such issues as the
Northeast Asia situation and the international financial crisis. The
Obama administration, which gives priority to the Afghan situation,
expects contributions from Japan. Therefore, the Japanese government
will likely be forced to come up with specific additional assistance
measures for Afghanistan.

At a press conference on Jan. 30, State Department Deputy Spokesman
Robert Wood said: "The Secretary will discuss the North Korea
situation with high officials of countries in the region (at some
future date)." So, throughout her East Asia visit, Secretary Clinton
will likely hold in-depth discussions on the North Korean nuclear
problem.

2) Japan plans to take lead in Pakistan aid conference this spring
that would include U.S., EU, and China, with target being several
billion dollars in assistance

NIKKEI (Top play) (Excerpts)
February 2, 2009

The government has firmed up its intention to have Japan sponsor
possibly as early as the end of March an international conference to
assist Pakistan, where the domestic situation has become unstable.
Japan will call on over a dozen agencies and countries, including
the United States, European Union (EU), and China to attend talks at
the cabinet level on aid measures totaling several billion dollars
in scale. The Obama administration has made as its top priority the
mopping up of terrorist groups in Pakistan and neighboring country
Afghanistan, so the thinking is for Japan to take the lead in
creating a framework for assistance that would involve close
cooperation between Japan and other concerned countries.

Secretary of State Hillary Clinton is considering traveling to Asia
as her first trip overseas. Japan is considering holding the aid
conference in Tokyo either at the end of March or the beginning of
April, and will sound out Secretary Clinton about the possibility of

attending it.

3) Obama administration plans to raise regular comprehensive talks, including security, with China to the top level

YOMIURI (Top play & page 2) (Excerpt)
February 2, 2009

By Satoshi Ogawa in Washington

The Obama administration on Feb. 1 decided to launch a comprehensive strategic dialogue at the highest level with China that would include political, economic, and security affairs. In revealing this, a ranking State Department official said: "Comprehensive bilateral exchanges are indispensable for creating a more forward-looking, cooperative relationship between the United States and China." According to several sources, until now, talks at the sub-cabinet level have not been able to elicit political decisions

TOKYO 00000236 003 OF 010

from China, so coordination is going on to raise the level of the talks to a regular dialogue under a mutual reciprocal visit arrangement between Vice President Biden and Premier Wen Jiabao.

Summit-level U.S.-China dialogue eyed to address tough economic and security issues

The U.S. Obama administration has decided to launch a new comprehensive, top-level strategic dialogue with China. This comes from the judgment that mounting challenges would not be resolved through conventional talks at the sub-cabinet level, with an eye on future relations with China. To address a variety of issues straddling major powers, talks have conducted between Japan and the United States and between Japan and China at various levels.

For instance, between Japan and the United States, there are a security consultative committee of foreign and defense ministers (2 plus 2) and a strategic dialogue of vice-foreign minister and deputy secretary of state. Through such frameworks, the two countries have regularly discussed wide-ranging topics, including foreign and security affairs. They have accomplished major results, such as Japan-U.S. common strategic objectives and a roadmap for the realignment of U.S. forces in Japan. But they have not been held since May 2007.

Between Japan and China, their vice-foreign minister-level comprehensive policy dialogue was upgraded to a strategic dialogue in January 2007.

4) Prime minister on 1.5 trillion yen assistance to Asia at Davos Conference

YOMIURI (Page 1) (Full)
February 1, 2009

Prime Minister Aso at noon of January 31 (evening of the same day, Japan time) delivered a speech at the annual meeting of the World Economic Forum (Davos Conference) held in Davos, Switzerland. The prime minister during the speech underscored that Japan's responsibility in dealing with the global economic recession is above all else to revitalize its economy. He noted that Japan would make effort to reshape its economy through increasing public spending as well as to aim at boosting assistance to Asia, which is expected to contribute to the world economy, by disbursing official development assistance (ODA) worth totaling over 1.5 trillion yen or more than 17 billion dollars.

The prime minister called on each country to make efforts to expand domestic demand, stating that in order to revitalize the world economy, it is imperative to correct the global imbalance ascribable to excessive consumption in the U.S. and insufficient domestic demand in trade surplus nations. He also expressed concern about the strong trend, saying, "The value of the yen has risen most among key currencies. Each country is urged to increase domestic demand and achieve self-sustainable growth.

Concerning ODA, Aso pledged that he would implement without fail a commitment former Prime Minister Fukuda made at the 4th Tokyo International Conference on African Development (TICAD4) last year that Japan will double ODA to Africa by 2012. Regarding financing to the International Monetary Fund (IMF) up to 100 billion dollars or approximately 9 trillion yen, which he announced at the financial

TOKYO 00000236 004 OF 010

summit in November last year, Aso with Saudi Arabia and China in mind called for cooperation, saying, "I welcome oil-producing countries and countries with large foreign currency reserves join this effort."

Touching on measures to curb greenhouse gas emissions, the prime minister for the first time announced that Japan will reveal by June its mid-term goal of cutting such gas emissions to be achieved by 2020. He stressed a proactive stance of tackling the establishment of a post-Kyoto Protocol framework for reaching an agreement at the 15th session of the Conference of Parties of United Nations Conventions (COP15) to be held in December.

5) G-20 option widely supported at Davos meeting; Japan remains cautious

YOMIURI (Page 2) (Full)
February 2, 2009

Satoru Koreeda, Saki Ouchi, Davos

An idea is gaining ground among world leaders to expand the global decision-making framework from the current Group of Eight, composed of such countries as Japan, the United States, and European countries, to the Group of 20 countries, including emerging countries like China and India. The idea of upgrading the framework to the G-20 summit was voiced by many countries in this year's World Economic Forum (Davos meeting) that brought together global political and financial leaders.

In addressing the Davos meeting, Chinese Premier Wen Jiabao indicated that the G-20 countries account for 80 PERCENT of world GDP so should play a main role. "A new global economic order must be established," Wen said.

British Prime Minister Gordon Brown, too, released a statement on January 31, noting, "The G-8 can no longer deal sufficiently with global issues." Brown, as the chair of the second financial summit to be held in London in April, intends to propose expanding the decision-making framework to the G-20..

Italy, the host of this year's G-8 summit, is also reportedly considering the expansion starting this summer.

Japan remains cautious, with a Foreign Ministry source saying: "Values shared by Japan, the United States, and European countries are different from those of China, Russia and other countries. Reaching an agreement among the G-20 would be difficult because of a conflict of interests."

Last November, a G-20 financial summit took place in Washington as then U.S. President George W. Bush reluctantly agreed to French President Nicolas Sarkozy's proposal. The key is likely to be held by the response of the new U.S. administration of President Barack Obama.

6) WTO ministerial critical of U.S. "Buy American" clause as protectionist policy

ASAHI (Page 7) (Full)
February 7, 2009

TOKYO 00000236 005 OF 010

An informal cabinet-level meeting of the World Trade Organization (WTO) was held on January 30 in Davos, Switzerland. This is the

first ministerial-level meeting since trade talks broke down in late July last year. Many participants criticized the U.S. for its Buy American clause aimed to protect domestic industry, as part of a protectionist move surfacing in the U.S. The ministers agreed on the need to contain protectionism. However, moves to protect domestic industry are spreading in every country now, causing concern.

The WTO ministerial meeting is annually held on an informal basis, coinciding with the economic ministers taking part in the annual meeting of the World Economic Forum (Davos Conference). Cabinet ministers from about 20 countries took part in the meeting. Economic, Trade and Industry Minister Nikai and Agriculture, Forestry and Fisheries Minister Ishiba took part from Japan.

Many participants voiced concern about a protectionist move in the U.S. A move to incorporate a Buy American clause, which gives priority to the use of U.S.-made steel, has emerged in the U.S. Congress as part of an economic stimulus package. The U.S. Trade Representative (USTR) did not attend the meeting. The acting USTR simply pledged to convey the concerns harbored by various countries to the Obama administration.

Nikai, though he steered clear of directly referring to the U.S., said, "We all agreed not to resort to protectionism at the financial summit last year. Nevertheless, a protectionist move has actually appeared. I cannot believe it." Participants agreed to expand a mechanism of monitoring protectionist moves.

In reality, a protectionist move is gaining ground throughout the world. One visible example of such is U.S. assistance to its auto industry using the financial and economic crisis as justification. Following the U.S. decision to extend assistance to the Big Three, Britain has recently released a plan to give credit guarantee worth about 300 billion yen to its auto industry. Many participants in the Davos Conference pointed out that various countries' assistance to their auto industries is nothing but protectionism.

British Prime Minister Brown, now visiting Davos, expressed concern about a move of leading countries' financial institutions pulling out funds from emerging countries. He expressed a sense of alarm, "If this situation continues, the world will descend into financial protectionism."

7) Talks on nuclear cooperation agreement for promotion of exports of nuclear power generation-related products to be expedited: Government to launch talks with South Korea as early as this spring

NIKKEI (Page 1) (Full)
February 1, 2009

The government will accelerate talks to sign nuclear cooperation agreements, with a focus on rapidly emerging countries, where demand for the construction of nuclear power plants is on the rise. As part of such an effort, it will start talks with South Korea and Vietnam possibly this spring. An agreement to sign such a pact with Russia is expected to be reached. The government will simplify export procedures for nuclear power generation-related products to assist Japanese companies that plan to advance into fast emerging countries' nuclear power generation markets.

TOKYO 00000236 006 OF 010

The envisaged nuclear cooperation agreement is intended to simplify procedures Japanese companies have to take when exporting nuclear power generation-related parts and fuels as well as to prevent the related technologies from being diverted to military use or leaked to other countries. It is difficult to export nuclear power generation-related products without such an agreement. Japan has already signed similar agreements with seven countries, including the U.S. and Britain. It has also started talks with Russia and Kazakhstan.

The government has recently reached a basic agreement with South Korea to start such talks. Working-level talks will likely be launched possibly in March. Vietnam, which is aiming at starting the operation of its first nuclear power plant in 2020, plans to choose

a company with which it places orders as early as next year. The government is also mulling launching talks with Indonesia, Thailand and the United Arab Emirates (UAE). The government is hurrying to sign a nuclear cooperation agreement, because the nuclear power generation market is expected to grow fast. According to the U.S. Energy Department, the global consumption of nuclear power is estimated to grow more than 40 PERCENT by 2030. Fast emerging countries in Asia will likely be the driving force for that. The number of countries that are planning the construction of their first nuclear power plant has reportedly topped 20.

8) Agreement eyed for Guam relocation

TOKYO SHIMBUN (Page 3) (Full)
February 2, 2009

Foreign Minister Hirofumi Nakasone yesterday met with Okinawa Prefecture's Gov. Hirokazu Nakaima at the Okinawa prefectural government office. Nakasone told Nakaima that in order to carry out the planned realignment of U.S. forces in Japan, the Japanese government would conclude an agreement with the U.S. government on the relocation of U.S. Marines from Okinawa to Guam.

Nakaima reiterated his request to alter the government's plan to relocate the U.S. military's Futenma airfield in Ginowan, Okinawa Prefecture. The Japanese and U.S. governments have concurred on relocating Futenma airfield to a coastal area of Camp Schwab in the island prefecture's northern coastal city of Nago. The governor has asked the government to move the relocation site out to sea.

The total cost of relocating Okinawa-based U.S. Marines to Guam is estimated at approximately 10.27 billion dollars. In this regard, the Japanese and U.S. governments agreed in 2006 that Japan will foot the bill up to 59 PERCENT. In preparation for the Guam relocation, the Foreign Ministry will reconfirm burden sharing and conclude an agreement with the United States to prohibit Japan's contribution from being used for any other purposes. The government will ask the Diet during its current session for approval.

Nakasone visited Okinawa, anticipating that the focus will be on the U.S. force realignment in his proposed meeting with U.S. Secretary of State Clinton. Nakasone has been seeking to meet with Clinton at an early date. In Okinawa, Nakasone visited Futenma airfield and other locations. In the meeting, Nakasone stressed that the U.S. military realignment would contribute to maintaining deterrence and alleviating the local burden of hosting U.S. military bases. In addition, he indicated that the government would communicate with Okinawa's prefectural and municipal governments.

TOKYO 00000236 007 OF 010

Nakaima took the position that Okinawa wants its base-hosting burden lightened. He handed a seven-point petition to Nakasone, asking the government to take preventive steps concerning crimes and accidents involving U.S. military personnel, revise the Japan-U.S. Status of Forces Agreement, and invite international conferences.

After that, Nakasone met the press and stated that it would be difficult to alter the Futenma airfield relocation plan without any rational reason. He also indicated that the government would take action with improvements in the way of implementing the SOFA instead of revising its provisions.

9) Defense Ministry mulling SDF joint operations for Somalia offshore antipiracy mission

SANKEI (Top play) (Full)
February 2, 2009

The Defense Ministry is now looking into the possibility of engaging the Ground, Maritime, and Air Self-Defense Forces in joint operations for an antipiracy mission planned to be carried out in waters off the eastern African coast of Somalia, sources revealed yesterday. The ministry has already decided to have ASDF liaison officers posted to a U.S. military command in Qatar, a country in the Middle East. After MSDF P-3C patrol planes are dispatched for

the antipiracy mission there, ASDF C-130 cargo planes will periodically airlift supplies from Japan. MSDF destroyers will be based in Djibouti, and the ministry is checking into whether the GSDF can be tasked with a base security role there. This, if realized, will be the first case of SDF joint operations in international peace cooperation.

In order to protect Japanese commercial ships from pirates in waters off Somalia, the government decided on Jan. 28 to issue an order to the MSDF for maritime security operations that are based on a maritime policing action under the Self-Defense Forces Law. The government is expected to invoke the maritime policing action in early March. In response, the MSDF will send two destroyers, which will be based in Djibouti. The MSDF is also planning to send P-3Cs for aerial warning and surveillance activities in order to spot pirate ships.

Along with the MSDF's deployment, the Defense Ministry will also send ASDF liaison officers to the Combined Air Operations Center (CAOC) of U.S. forces in Qatar. CAOC is a headquarters that commands air operations in the northwestern region of Africa, including Somalia, which is covered by the U.S. Central Command. Britain and Australia, currently deploying troops in Iraq and Afghanistan, have sent personnel to CAOC as well.

U.S., French, and other foreign naval forces are flying patrol aircrafts over Somalia's offshore areas to keep an eye on the moves of pirates and terrorists. CAOC integrates their flight conditions, and the ASDF liaison officers will be tasked there with gathering information and coordinating with CAOC.

The ASDF stationed 10 personnel at CAOC until December last year. However, the ASDF pulled them out after completing its airlift mission in Iraq. The ASDF will redetach its personnel to CAOC. By doing so, and the ASDF will also have such advantages as being able to grasp the Iraqi and Afghan situations. The Defense Ministry will

TOKYO 00000236 008 OF 010

then work out the details about when and how many to dispatch.

If the MSDF dispatches P-3Cs, the ASDF will be also tasked with an airlift mission. Their teamwork can be modeled after the United Nations Disengagement Observer Force (UNDOF) deployed to the Golan Heights in the Middle East.

The GSDF has been backing up UNDOF activities since 1996, and the ASDF has delivered supplies every six months to GSDF personnel there. The ASDF will carry out similar airlifts for the MSDF. ASDF C-130s will have to make several stops between Japan and Djibouti for refueling, so the Defense Ministry will shortly screen candidate locations.

The GSDF is also positive about joining the antipiracy mission. The MSDF P-3Cs are expected to be based at a U.S. military base or a French military base located near an international airport in Djibouti. The MSDF is looking into whether it can send personnel for the security of those MSDF P-3Cs there. However, some Defense Ministry officials are said to be cautious about the necessity of tasking the GSDF with the role of base security.

10) Ruling bloc project team agrees new law would allow firing at pirate ships

ASAHI (Page 1) (Full)
January 31, 2009

The ruling bloc's anti-piracy project team (PT), which has been discussing new anti-piracy legislation that it hopes to present to the Diet in early March, reached an agreement on January 30 to relax a set of regulations on the use of weapons for the Self-Defense Forces that would allow the SDF in carrying out their duties to shoot at pirate ships to bring them to a halt. Based on the PT's discussion, the government plans to present the new legislation's outline to the opposition camp possibly in early February.

In performing duties on overseas missions, the SDF has not been

allowed to use weapons for fear of the action constituting the use of force, which is prohibited under the Constitution. The PT's position is that the use of weapons on an anti-piracy mission to carry out policing activities does not constitute the use of force. But its view is likely to stir up controversy in connection with the Constitution.

If SDF personnel actually fire at a pirate ship and sink it or kill the pirates, public criticism might flare up.

Shooting at a ship is allowed under the Japan Coast Guard Law that was amended in 2001 following an intrusion into waters off the Noto Peninsula by suspicious boats in 1999. The law is currently applicable only to Japanese waters. By expanding the scope to include high seas, the PT has decided to incorporate in the envisage law the use of weapons by the Maritime Self-Defense Force and the JCG.

Based on an order to be issued under existing legislation, the MSDF envisions escorting Japanese-related commercial vessels in carrying out maritime policing activities on its anti-piracy mission in waters off Somalia. Once the use of weapons is allowed in performing duties under the new law, guarding and surveillance would also become possible.

TOKYO 00000236 009 OF 010

11) Joint military-commercial use of U.S. forces' Yokota Air Base: Tokyo government to propose to U.S. building civilian terminal outside the base

MAINICHI (Top play) (Full)
Eve., January 31, 2009

By Kenzo Kimura

The Tokyo Municipal Government, which is seeking joint military-commercial use of the U.S. forces' Yokota Air Base, has decided to propose to the U.S. side the construction outside the base of a terminal for civil aviation use. Such details as the timing of the proposal will be based on carefully watching such moves as the U.S. force realignment being promoted by the Obama administration. The aim of the new plan is to present conditions that do not interfere with the activities of the U.S. forces and promote consultations on the subject that are now stalled.

Joint military-civilian use of Yokota Air Base was a campaign promise by Governor Shintaro Ishihara when he first ran for office in April 1999. In May 2003, President Bush and Prime Minister Junichiro Koizumi agreed to launch a study of the possibility. In the final report of the U.S. force realignment in Japan, it was stated, "A study of specific conditions and the mode would be carried out and completed within 12 months after the start." After that, a study group was launched between the Japanese and U.S. governments that met eight times between Oct. 2006 and the fall of 2007. A year went by with no resolution reached, and there has been no noticeable progress since then. For that reason, the Tokyo government decided to elicit flexibility on the U.S. side, which had been reluctant to proceed, citing such use would obstruct flight operations.

Governor Ishihara has said, "Since there is public and vacant land outside the base, I plan to make a proposal in a form that the other side can find beneficial."

The candidate site for construction of a terminal, according to an official in charge of the municipal base-measures office, will be boiled down by consultations. The official said: "Until we receive the U.S. side's impressions of it, we can't publicly announce it."

The city of Musashi-Murayama has taken a stance promoting that it be the site for the terminal. In the southwest part of the city, there is a large tract of farmland near the base (commonly known as the Tama Clearing, it is approximately 56 hectares in size). In June 2007, a report was put out that positioned this land as suitable for civilian airport use. There is expectation that it could serve as

priming for local area development.

However, other surrounding local governments have taken cautious stances toward the concept, with Mizuho Town complaining about the additional noise harming the living environment. So it is expected that domestic coordination to realize the plan will encounter many twists and turns.

12) DPJ's Ozawa: Lower House will be dissolved in March

NIKKEI (Page 2) (Full)
Evening, January 31, 2009

TOKYO 00000236 010 OF 010

Democratic Party of Japan (DPJ) President Ichiro Ozawa, in a speech at a conference of special postmasters and the postal policy study group, a political organization composed of retired special postmasters and incumbent Japan Post employees, stated: "I believe that the House of Representatives will be dissolved in March at the latest and a general election will be held in April." He then indicated that his party would hasten preparations for the general election.

Ozawa also stressed:

"We will fight the election in cooperation with the People's New Party (PNP). If we take the reins of government, we will immediately launch a review of postal privatization after submitting a bill to freeze the sales of Japan Post shares."

PNP leader Tamiyuki Watanuki, who also attended the conference, underscored: "I want you to support DPJ candidates, whom our party recommends." It was the first time for DPJ leaders to take part in such a conference. DPJ Deputy President Naoto Kan and Secretary General Yukio Hatoyama also participated in the gathering.

13) LDP Secretary General Hosoda: We should probe into Lower House dissolution after Diet approves FY2009 budget

TOKYO SHIMBUN (Page 2) (Full)
February 2, 2009

Liberal Democratic Party (LDP) Secretary General Hiroyuki Hosoda yesterday indicated the view that (Prime Minister Taro Aso and his party) would feel out the possibility of dissolving the House of Representatives after the state budget for fiscal 2009 is approved by the Diet. Appearing on an NHK program on Sunday, Hosoda stated: "I think if most issues are settled in March, there would appear a mood to call for the people's vote of confidence."

LDP Diet Affairs Committee Chairman Tadamori Oshima also, in a speech delivered yesterday in Aioi City, Hyogo Prefecture, sought to constrain any move to put off Lower House dissolution, arguing: "After enacting the fiscal 2009 budget, we should fairly and squarely make clear the distinction between our party and the Democratic Party of Japan (DPJ)." He then added: "Some of our party members have said that (the Lower House should be dissolved) after compiling a supplementary budget for 2009, but they should not say so."

ZUMWALT